

December 31, 2012

U.S. Environmental Protection Agency
ENSV/EFCB - Region VII
300 Minnesota Ave.
Kansas City, KS 66101-2907

RE: NPDES Inspection, Kansas City Winner PNP (formerly U-Pick-It), 12/19/2012, Permit # MOR90A37

Mr. Ahmad,

Once again, I would like to take this opportunity to point out that on the day of your inspection, Pick-n-Pull had just taken possession that morning of the Winner Road location, and was in the process of conducting day one Environmental, Health, and Safety training. Pick-N-Pull purchased the assets at the location in a transaction that closed on December 18, 2012.

As part of the purchase Pick-N-Pull leased the Winner Road property from Hansen Property Development, Inc., which remains the owner of the property. The business on the property prior to Pick-N-Pull's acquisition was conducted by U-Pick-It, Inc. At the time of your visit no production activities had commenced under Pick-n-Pull's ownership.. Thus, any matters identified during your inspection were attributable to the prior ownership and operations.

Pick-n-Pull is conducting cleaning and organizational activities at the location to ensure environmental compliance and the ongoing safety of its employees. Please find below Pick-n-Pull's responses for each of the concerns/opportunities noted during your site visit.

Potential NPDES Permit Violations:

C1. The Facility failed to conduct employee training as required by 'Condition 2' of the NPDES Permit.

Condition 2

All involved personnel shall be provided training by the owner in material handling and storage, and housekeeping of dismantling, repair, rebuilding or storage areas. Proof of training shall be submitted on request.

C1 - Response:

Upon your arrival at the Winner Road location on Wednesday, December 19, 2012, Pick-n-Pull had just concluded Day 1 Environmental, Health and Safety training for all personnel at the Winner Road location. Training consisted of Computer Based Training (CBTs), and Power Point presentations.

Day 1 Environmental Training:

- Environmental Compliance Orientation PowerPoint < document attached >
 - General Introduction to Environmental Compliance
- PNP Process and Environmental BMP Presentation < document attached >
 - This is the onboarding Environmental presentation for new employees

Below are additional informational alerts and training aids which are reviewed throughout the year during pre-workday tailgate talks:

Topics covered included:

- Storm Water BMPs: Spill Clean-Ups < document attached >
 - Outlines expectations for cleaning up spills on impervious surfaces, and the steps taken in the cleaning process



- Storm Water BMPs: Oil Spot Removal < document attached >
 - Outlines expectations for the removal of stained soils and spills out in the yard (pervious surfaces)

- Spill Prevention Control & Countermeasures < document attached >
 - Outlines expectations in regards to SPCC requirements

- Pre Rain Event – Storm Water BMP Prep < document attached >
 - Outlines expectations during rain events (inspections, etc.), and the expectation that oily parts are properly protected from coming into contact with storm water (covering, removal, and storage under cover)

- Post Rain Event - Managing Storm Water BMPs < document attached >
 - Outlines post rain event inspections of BMPs, to ensure that they are still in operable condition for the next event.

- Storm Water BMPs: Carpets & Trunk Mats < document attached >
 - Outlines a program which Pick-n-Pull established for placing car mats or recycled carpet mats under the engine compartment of vehicles in the customer yard, in an attempt to eliminate/reduce petroleum product leaks due to customer parts removal

- Storm Water BMPs: Burnt Vehicles < document attached >
 - Outlines expectations that vehicles damaged by fire, be covered and protected from contact with storm water.

- Storm Water BMPs: How to properly protect a drain inlet (DI) < document attached >
 - Outlines expectations regarding the proper techniques for properly protecting drain inlets

- Groundskeeping Procedures < document attached >
 - This procedure outlines Pick-n-Pulls housekeeping activities developed to eliminate/minimize Stormwater impact from our processing and customer yard activities.

C2. The Facility failed to clean all spills as required by NPDES permit ‘Condition 7’

Condition 7

All spills must be cleaned up within 24 hours. This may include the excavation and disposal of contaminated soils.

C2 - Response:

Potential Future Spills:

It is Pick-n-Pulls practice to diligently remove easily accessible spills immediately upon discovery, and remove inaccessible spills when resetting rows in the yard. Please review the attached Environmental Alerts and ‘Groundskeeping Procedure’ for a more in-depth explanation of the environmental expectations surrounding spills on impervious/pervious surfaces.

Historic Spills and Soil Stainage:

Following Pick-n-Pull’s ‘Groundskeeping Procedure’, the production team has already begun housekeeping procedures. Initial emphasis is being focused on getting scrap, trash, general debris, and vehicle parts cleared from the exterior grounds, in order to better identify the potential for, and remove of any identified visually stained soils.

C3. The Facility failed to report spills as required by NPDES permit ‘Condition 7.b.’

Condition 7(b)

The following spills must be reported to the department within 24 hours:

- (a) *Any spill of fluids or chemicals that leaves the property of the facility;*
- (b) *Any spill of fluids or chemicals outside of a secondary containment structure and greater than 25 gallons, whether or not it leaves the property.*



C3 - Response:

Pick-n-Pull is unable to speak to activities that 'were' or 'were not' conducted prior to our taking ownership of the property. Pick-n-Pull employees are instructed to notify our internal 'Hot Line' for any spills greater than 5 gallons outside of secondary containment.

Once a report of a spill of 25 gallons or greater has been reported through the 'Hot Line', agency/department notification would then take place, within the 24 hour deadline.

C4. The Facility failed to comply with NPDES 'Condition 11'.

Condition 11

If a mechanical unit (engine, transmission, steering gear, transfer case, etc.), or system (brake, cooling, drive train) remains closed, and are to remain intact and there is no likelihood of leakage or spillage, the fluid need not be drained.

C4 - Response:

Pick-n-Pull is unable to speak to activities that 'were' or 'were not' conducted prior to our taking ownership of the property.

It is Pick-n-Pulls practice during the degarbaging/fluid removal process, that we remove to the best of our abilities the following materials/items from the vehicles: radiator fluid, Freon, mercury switches, brake reservoir fluid, windshield washer fluid, vehicle oils, gasoline/diesel, batteries, oil filters, tires, etc., prior to setting the vehicles in the yards for customer access.

In addition it is an expectation that the yards are swept daily to ensure that vehicle hoods are closed, to limit the potential for Stormwater impact with oily engines and parts.

C5. The Facility failed to comply with NPDES 'Condition 15'.

Condition 15

All outfalls must be clearly marked in the field.

C5 - Response:

A visual Stormwater survey was conducted on Saturday, December 15, 2012, at which time (9) Drain Inlets (DIs) and one diversion trench was identified. In total the location has (6) exterior DIs, (1) diversion trench, and (3) DIs interior to the structure. At the time the visual survey was conducted, there was snow and ice covering the grounds, so a follow-up survey will need to be conducted when the ground isn't covered, in order to ensure all DIs have been identified.

The current Pick-n-Pull practice, is to identify all DI's and Outfalls on the facility stormwater maps. It is Pick-n-Pulls understanding that once each DI has been sufficiently protected (hay waddle, oil absorbant boom, witches hat, oil absorbant pillow), that said protection would satisfy the requirement that 'all outfalls must be clearly marked in the field'. Stormwater protection supplies were ordered on Friday, December 28, 2012, please advise if the department was looking more for signage to be posted. Once supplies have been delivered to the location, they will be placed per Pick-n-Pulls 'Storm Water BMPs: How to properly protect a drain inlet' guidance document. Pick-n-Pull expects all DIs to be protected/marked by January 18, 2012.

< refer to attached guidance document 'Storm Water BMPs: How to properly protect a drain inlet (DI)' >



C6. Batteries and Tires were improperly stored and were exposed to wet weather elements.

C6 - Response:

Pick-n-Pull is unable to speak to activities that 'were' or 'were not' conducted prior to our taking ownership of the property, but rather only towards activities which will be conducted to ensure there are no re-occurrences.

Batteries

Current Condition

Immediately following the inspection on the 19th of December, the production team began focusing their attention on specific sections of the customer yards. Prior to close of business (COB) on Thursday, December 27, 2012, all exterior sections of the yard were swept and all batteries removed from the ground and from within the staged vehicles. Follow-up verification was conducted by the Regional Business Director the morning of Friday, December 28, 2012.

Future Condition

Following Pick-n-Pull's degarbagging program, batteries will no longer reach the customer yard, thus no longer be in a condition to be exposed to the wet weather elements. Batteries removed during the degarbage process, will be properly managed and stored within the covered structure until transported for disposal/re-manufacturing.

Tires

Current Condition

During your initial visit on December 19th, several tires were noted in the front parkinglot, throughout the customer yards, and a rather large accumulation within the structure on the southeast wall.

Front Parkinglot

As noted during your second visit on December 21st, the tires had been removed from the front parkinglot and moved internal to the structure, away from any potential impact to the elements.

Customer Yards

Immediately following the inspection on the 19th of December, the production team began focusing their attention on specific sections of the customer yards. Prior to close of business (COB) on Thursday, December 27, 2012, all exterior sections of the yard were swept and all tires were removed from the exterior grounds. Follow-up verification was conducted by the Regional Business Director the morning of Friday, December 28, 2012.

Indoor Tire Accumulation

Currently there exists a very large accumulation of rimmed/de-rimmed tires stored within the structure along the southeast wall. Pick-n-Pull is currently working with the following waste tire disposal entity to schedule trailers and pick-ups to remove the current waste tire pile:

Waste Recovery West, Inc. / Tire Disposal & Recycling
P.O. Box 83478
Portland, OR 97283
Mark Hope – 503.240.1919
markhwrw@aol.com

Future Condition

The potential for tires being left out and exposed to wet weather elements, will be addressed/controlled under three Pick-n-Pull programs/procedures.

1. Degarbagging Procedure – Tires which can be removed, are removed from vehicles prior to being set in the yard.
2. Groundskeeping Procedure – This procedure sets in-place an expectation that the customer parkinglot is walked and cleared of any tires or debris on a daily basis.
3. Per our tire procedures, storage of tires on-site is limited to 500 or less.



C7. The Facility failed to submit annual reports as required by the NPDES permit

Annual Reporting

An annual operating report must be submitted by October 28th of each year to the appropriate Regional Office (notwithstanding any reporting requirements contained in the attached "Standard Conditions"). The report shall detail any unusual occurrences such as spills, tank failures or overflows, ruptured piping, fish kills, firefighting activities, or other upsets which resulted in any loss of product. Product includes, but is not limited to, fules, oils, other fluids, and paints. The report shall also detail any remedial work undertaken to recover product or clean up the site. The report must also indicate if nothing unusual has occurred.

C7 - Response:

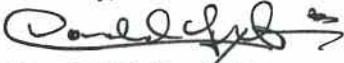
Pick-n-Pull is unable to speak to activities that 'were' or 'were not' conducted prior to our taking ownership of the property, but rather only towards activities which will be conducted to ensure there are no re-occurrences.

Pick-n-Pull will enter into the locations environmental calendar, the report deadline of October 28th annually, for preparation and submittal of the locations Annual NPDES Report to the agency/department. Information to be contained in this report will be captured from the following: SPCC inspections (tank inspections, etc.), 'Hot Line' logs (spills, fires, property damage, etc.), prepared and submitted to the department by October 28th.

At Pick N Pull, we take storm water quality very seriously and we take your concerns about the site just as seriously. We feel that our BMP's and the planned improvements at our site, once fully in place, will deliver improvements in the quality of storm water leaving the site. We look forward to working with you on storm water issues and projects going forward.

Please do not hesitate to contact me with any questions you may have.

Sincerely,



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